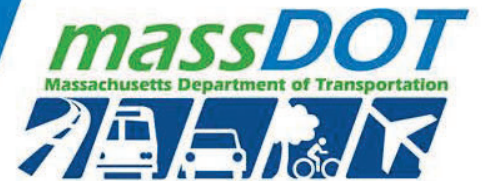




## MassDOT

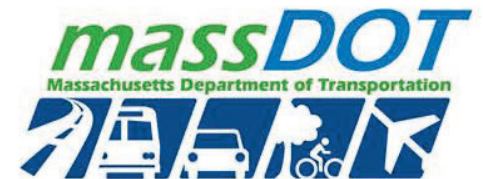
FY19 Budget (4 Month) Update  
December 17, 2018



## FY2019 Budget Update

The budget has been updated with the following adjustments since the budget was approved on June 11, 2018:

- FTE cap reduced by 15 positions, from 3,615 to 3,600
- CTF transfer increased by \$35M to increase Snow and Ice funding to \$73M
  - MassDOT has committed an additional \$4M from reserves to fund Snow and Ice to \$77M
  - ANF has committed to \$33M in supplemental funding to reach a Snow and Ice funding level of \$110M
- Prior to FY19, personnel costs for employees working on non-federal capital projects was funded by and reported in the operating budget. This expense, projected to be approximately \$37M in FY19, will continue to be funded by the operating budget but will be reported in the capital budget going forward to ensure more accurate capital budget expense reporting. It will be reflected as a "Transfer Out to Capital" on the operating budget.



# **FY19 Four Months Actual Financial Highlights**

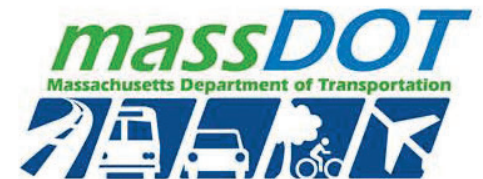
## **July through October**

### **Non-Toll Operating**

- Revenue and expenses are trending on budget and are in line with historical YTD actuals. One change that impacts the FY19 budget reporting is as follows:
  - Personnel costs on non-federal capital projects was reported in non-toll operating expense prior to FY19 but will now be reported in capital reporting. The operating budget will reflect a below the line “Transfer Out to Capital”. FY19 full year impact estimate is \$37M

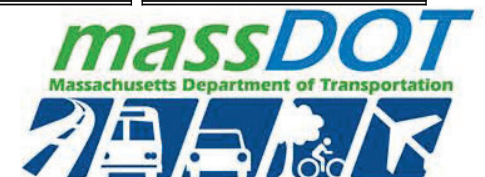
### **Toll Operating**

- Revenue is trending over budget due to increased transponder usage and higher pay-by-plate revenue collected due to lower than projected leakage



# FY19 MassDOT Funding Source Statement

(\$ in 000's)						VS. FY19 Annual Budget		VS. FY 18 4 Months Actual	
	Non-Toll Operating	Toll Operating	Federal Grants	MVITF	Total FY19 4 Months Actual	Total FY19 Budget	% of Budget	FY18 4 Months Actual	\$ Variance
<b>REVENUE:</b>									
Toll Revenue	0	169,698	0	0	169,698	441,253	38.5%	164,658	5,040
Operating Revenue	10,140	0	0	0	10,140	26,588	38.1%	19,188	(9,048)
Commonwealth Transfers	150,119	33,333	0	0	183,453	581,315	31.6%	177,545	5,908
Federal Grants	0	0	456	0	456	17,998	2.5%	912	(457)
Motor Vehicle Inspection Trust Fund	0	0	0	20,055	20,055	55,528	36.1%	20,981	(926)
Investment Income	259	6,039	0	79	6,378	8,197	77.8%	2,919	3,459
<b>TOTAL REVENUE</b>	<b>160,518</b>	<b>209,070</b>	<b>456</b>	<b>20,135</b>	<b>390,179</b>	<b>1,130,879</b>	<b>34.5%</b>	<b>386,204</b>	<b>3,976</b>
<b>EXPENDITURES:</b>									
Employee Compensation and Benefits									
Salaries	47,294	14,621	203	842	62,960	215,233	29.3%	78,655	(15,694)
Overtime	3,135	2,259	0	34	5,429	18,564	29.2%	7,618	(2,189)
Fringe and Other Benefits	20,445	6,541	90	283	27,358	97,503	28.1%	33,076	(5,718)
<b>Total Employee Compensation and Benefits</b>	<b>70,874</b>	<b>23,422</b>	<b>293</b>	<b>1,158</b>	<b>95,747</b>	<b>331,301</b>	<b>28.9%</b>	<b>119,349</b>	<b>(23,602)</b>
Maintenance, Supplies, and Equipment	5,172	3,639	0	0	8,811	149,447	5.9%	10,201	(1,391)
Office and Administrative	6,822	5,045	5	0	11,872	91,248	13.0%	15,926	(4,055)
Professional Services	8,605	9,544	353	1,870	20,372	128,525	15.9%	21,421	(1,049)
Grants, Subsidies, Contract Assistance	44,137	596	3,346	0	48,079	98,931	48.6%	43,997	4,083
Interdepartmental Service Agreements (ISA)	1,586	292	22	836	2,736	12,822	21.3%	2,483	253
Debt Service	0	40,355	0	0	40,355	147,593	27.3%	43,195	(2,841)
<b>TOTAL EXPENDITURES</b>	<b>137,196</b>	<b>82,892</b>	<b>4,019</b>	<b>3,864</b>	<b>227,971</b>	<b>959,868</b>	<b>23.8%</b>	<b>256,572</b>	<b>(28,601)</b>
<b>Excess (deficit) Revenue over Expenditures before OFS</b>	<b>23,322</b>	<b>126,178</b>	<b>(3,563)</b>	<b>16,271</b>	<b>162,208</b>	<b>171,011</b>	<b>94.9%</b>	<b>129,631</b>	<b>32,577</b>
<b>Other Financing Sources (OFS):</b>									
Transfer In/(Out)	4,499	0	0	(4,499)	0	0		0	0
Supplemental Funding for Snow & Ice Reserve	0	0	0	0	0	33,000		0	0
Transfer Out to Capital	(12,058)	(35,645)	0	0	(47,702)	4,715	22.9%	(96,257)	48,554
<b>Total Other financing Sources</b>	<b>(7,559)</b>	<b>(35,645)</b>	<b>0</b>	<b>(4,499)</b>	<b>(47,702)</b>	<b>(171,010)</b>	<b>27.9%</b>	<b>(96,257)</b>	<b>48,554</b>
<b>Net Revenue (Expense)</b>	<b>15,763</b>	<b>90,533</b>	<b>(3,563)</b>	<b>11,772</b>	<b>114,505</b>	<b>0</b>		<b>33,374</b>	<b>81,131</b>



# FY19 Non-Toll Operating Statement

(\$ in 000's)	FY2019 4 Months Actual	VS. FY19 Annual Budget		VS. FY 18 4 Months Actual	
		FY2019 Annual Budget	% of Budget	FY2018 4 Months Actual	\$ Variance
<b>REVENUE:</b>					
Operating Revenue					
Departmental Fees	4,939	14,433	34.2%	5,011	(72)
Federal Highway Reimbursement	0	0		9,989	(9,989)
Rental/Lease Income	5,200	12,156	42.8%	4,189	1,012
<b>Total Operating Revenue</b>	<b>10,140</b>	<b>26,588</b>	<b>38.1%</b>	<b>19,188</b>	<b>(9,048)</b>
Commonwealth Transfers					
Operations	92,827	285,546	32.5%	92,065	762
Snow & Ice	10,000	73,000	13.7%	8,000	2,000
RTA Contract Assistance	44,037	88,000	50.0%	41,012	3,025
Merit Rating Board	3,256	9,768	33.3%	3,135	121
<b>Total Commonwealth Transfers</b>	<b>150,119</b>	<b>456,315</b>	<b>32.9%</b>	<b>144,211</b>	<b>5,908</b>
Investment Income	259	1,568	16.5%	139	121
<b>TOTAL REVENUE</b>	<b>160,518</b>	<b>484,471</b>	<b>33.1%</b>	<b>163,538</b>	<b>(3,019)</b>
<b>EXPENDITURES:</b>					
Employee Compensation and Benefits					
Salaries	47,294	157,006	30.1%	63,822	(16,528)
Overtime	3,135	8,377	37.4%	5,375	(2,240)
Fringe and Other Benefits	20,445	68,165	30.0%	26,592	(6,147)
<b>Total Employee Compensation and Benefits</b>	<b>70,874</b>	<b>233,549</b>	<b>30.3%</b>	<b>95,789</b>	<b>(24,915)</b>
Maintenance, Supplies, and Equipment	5,172	115,701	4.5%	5,239	(68)
Office and Administrative	6,822	43,399	15.7%	8,503	(1,681)
Professional Services	8,605	36,298	23.7%	5,281	3,324
Grants, Subsidies, Contract Assistance	44,137	88,872	49.7%	41,012	3,125
Interdepartmental Service Agreements (ISA)	1,586	7,198	22.0%	1,580	7
<b>TOTAL EXPENDITURES</b>	<b>137,196</b>	<b>525,017</b>	<b>26.1%</b>	<b>157,403</b>	<b>(20,207)</b>
<b>Excess (deficit) Revenue over Expenditures before OFS</b>	<b>23,322</b>	<b>(40,546)</b>	<b>(57.5%)</b>	<b>6,135</b>	<b>17,188</b>
<b>Other Financing Sources (OFS):</b>					
MVITF Transfer In	4,499	40,487	11.1%	4,530	(31)
Supplemental Funding for Snow & Ice		33,000	0.0%		0
Reserve		4,715	0.0%		0
Transfer Out to Capital	(12,058)	(37,656)	32.0%		(12,058)
<b>Total Other financing Sources</b>	<b>(7,559)</b>	<b>40,547</b>	<b>(18.6%)</b>	<b>4,530</b>	<b>(12,089)</b>
<b>Net Revenue (Expense)</b>	<b>15,763</b>	<b>0</b>		<b>10,664</b>	<b>5,099</b>



# FY19 Non-Toll Operating Revenue

		VS. FY19 Annual Budget		VS. FY 18 4 Months Actual	
	FY2019 4 Months Actual	FY2019 Annual Budget	% of Budget	FY2018 4 Months Actual	\$ Variance
(\$ in 000's)					
REVENUE:					
Operating Revenue					
Departmental Fees	4,939	14,433	34.2%	5,011	(72)
Federal Highway Reimbursement	0	0		9,989	(9,989)
Rental/Lease Income	5,200	12,156	42.8%	4,189	1,012
<b>Total Operating Revenue</b>	<b>10,140</b>	<b>26,588</b>	<b>38.1%</b>	<b>19,188</b>	<b>(9,048)</b>
Commonwealth Transfers					
Operations	92,827	285,546	32.5%	92,065	762
Snow & Ice	10,000	73,000	13.7%	8,000	2,000
RTA Contract Assistance	44,037	88,000	50.0%	41,012	3,025
Merit Rating Board	3,256	9,768	33.3%	3,135	121
<b>Total Commonwealth Transfers</b>	<b>150,119</b>	<b>456,315</b>	<b>32.9%</b>	<b>144,211</b>	<b>5,908</b>
Investment Income	259	1,568	16.5%	139	121
<b>TOTAL REVENUE</b>	<b>160,518</b>	<b>484,471</b>	<b>33.1%</b>	<b>163,538</b>	<b>(3,019)</b>

## Operating Revenue

- Rental/Lease income trending over budget due to timing of lease payment collections

## Commonwealth Transfers

- Snow & Ice under budget as snow and ice operations have been minimal through four months
- RTA Contract Assistance funded at 50% in July with remaining funds paid in November and February



# FY19 Non-Toll Operating Expenditures

(\$ in 000's)	FY2019 4 Months Actual	VS. FY19 Annual Budget		VS. FY 18 4 Months Actual	
		FY2019 Annual Budget	% of Budget	FY2018 4 Months Actual	\$ Variance
<b>EXPENDITURES:</b>					
Employee Compensation and Benefits					
Salaries	47,294	157,006	30.1%	63,822	(16,528)
Overtime	3,135	8,377	37.4%	5,375	(2,240)
Fringe and Other Benefits	20,445	68,165	30.0%	26,592	(6,147)
<b>Total Employee Compensation and Benefits</b>	<b>70,874</b>	<b>233,549</b>	<b>30.3%</b>	<b>95,789</b>	<b>(24,915)</b>
Maintenance, Supplies, and Equipment	5,172	115,701	4.5%	5,239	(68)
Office and Administrative	6,822	43,399	15.7%	8,503	(1,681)
Professional Services	8,605	36,298	23.7%	5,281	3,324
Grants, Subsidies, Contract Assistance	44,137	88,872	49.7%	41,012	3,125
Interdepartmental Service Agreements (ISA)	1,586	7,198	22.0%	1,580	7
<b>TOTAL EXPENDITURES</b>	<b>137,196</b>	<b>525,017</b>	<b>26.1%</b>	<b>157,403</b>	<b>(20,207)</b>

## Employee Payroll, Fringe and Other Benefits

- Trending under budget due to timing of staff hiring and retroactive bargaining unit increases. Under budget compared to FY18 actual due to shifting non-federal capital expenses to capital reporting and timing of outside section implementation in FY18

## Maintenance, Supplies, and Equipment

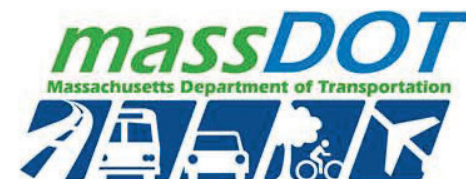
- Trending under budget due to limited spending on snow and ice operations in the first four months of the fiscal year.

## Office and Administrative and Professional Services Expenses trending under budget

- Trending under budget due to timing of the billing for various services (Utilities, Credit Card Transactions, ID Card production, Security Services and IT )

## Grants, Subsidies, Contract Assistance

- On budget as 50% of RTA Contract Assistance is paid in July



# FY19 Toll Operating Statement

(\$ in 000's)	FY2019 4 Months Actual	VS. FY19 Annual Budget		VS. FY 18 4 Months Actual	
		FY2019 Annual Budget	% of Budget	FY2018 4 Months Actual	\$ Variance
<b>REVENUE:</b>					
Toll Revenue					
Toll Collections	151,320	384,800	39.3%	143,434	7,887
Departmental Fees	3,353	18,842	17.8%	6,527	(3,174)
Rental/Lease Income	15,024	37,611	39.9%	14,697	327
<b>Total Toll Revenue</b>	<b>169,698</b>	<b>441,253</b>	<b>38.5%</b>	<b>164,658</b>	<b>5,040</b>
Commonwealth Transfers	33,333	125,000	26.7%	33,333	0
Investment Income	6,039	6,534	92.4%	2,747	3,293
<b>TOTAL REVENUE</b>	<b>209,070</b>	<b>572,787</b>	<b>36.5%</b>	<b>200,738</b>	<b>8,332</b>
<b>EXPENDITURES:</b>					
Employee Compensation and Benefits					
Salaries	14,621	54,699	26.7%	13,789	833
Overtime	2,259	10,087	22.4%	2,185	75
Fringe and Other Benefits	6,541	27,556	23.7%	6,156	385
<b>Total Employee Compensation and Benefits</b>	<b>23,422</b>	<b>92,342</b>	<b>25.4%</b>	<b>22,129</b>	<b>1,292</b>
Maintenance, Supplies, and Equipment	3,639	29,548	12.3%	4,821	(1,182)
Office and Administrative	5,045	47,785	10.6%	7,423	(2,378)
Professional Services	9,544	80,810	11.8%	13,512	(3,968)
Grants, Subsidies, Contract Assistance	596	1,729	34.5%	1,182	(586)
Interdepartmental Service Agreements (ISA)	292	1,910		63	230
Debt Service	40,355	147,593	27.3%	43,195	(2,841)
<b>TOTAL EXPENDITURES</b>	<b>82,892</b>	<b>401,717</b>	<b>20.6%</b>	<b>92,326</b>	<b>(9,433)</b>
<b>Excess (deficit) Revenue over Expenditures before OFS</b>	<b>126,178</b>	<b>171,070</b>	<b>73.8%</b>	<b>108,412</b>	<b>17,766</b>
<b>Other Financing Sources (OFS):</b>					
Transfer Out to Capital	(35,645)	(171,070)	20.8%	(96,257)	60,612
<b>Net Revenue (Expense)</b>	<b>90,533</b>	<b>(0)</b>		<b>12,155</b>	<b>78,378</b>





# FY19 Toll Operating Revenue

(\$ in 000's)	FY2019 4 Months Actual	VS. FY19 Annual Budget		VS. FY 18 4 Months Actual	
		FY2019 Annual Budget	% of Budget	FY2018 4 Months Actual	\$ Variance
<b>REVENUE:</b>					
Toll Revenue					
Toll Collections	151,320	384,800	39.3%	143,434	7,887
Departmental Fees	3,353	18,842	17.8%	6,527	(3,174)
Rental/Lease Income	15,024	37,611	39.9%	14,697	327
<b>Total Toll Revenue</b>	<b>169,698</b>	<b>441,253</b>	<b>38.5%</b>	<b>164,658</b>	<b>5,040</b>
Commonwealth Transfers	33,333	125,000	26.7%	33,333	0
Investment Income	6,039	6,534	92.4%	2,747	3,293
<b>TOTAL REVENUE</b>	<b>209,070</b>	<b>572,787</b>	<b>36.5%</b>	<b>200,738</b>	<b>8,332</b>

## Toll Revenue

- Toll Collections trending over budget due to increased transponder usage and higher pay-by-plate revenue collected due to lower than projected leakage
- Departmental fees trending under budget due to increased E-ZPass trips and decrease in Pay-by - Plate transaction
- Rental/Lease Income trending over budget is due to timing of collections

## Investment Income trending over budget

- Higher cash balances than anticipated
- Higher Mass Municipal Depository Trust yields than anticipated
  - October FY19 2.37% vs October FY18 1.32%



# FY19 Toll Operating Expenditures

(\$ in 000's)	FY2019 4 Months Actual	VS. FY19 Annual Budget		VS. FY 18 4 Months Actual	
		FY2019 Annual Budget	% of Budget	FY2018 4 Months Actual	\$ Variance
<b>EXPENDITURES:</b>					
Employee Compensation and Benefits					
Salaries	14,621	54,699	26.7%	13,789	833
Overtime	2,259	10,087	22.4%	2,185	75
Fringe and Other Benefits	6,541	27,556	23.7%	6,156	385
<b>Total Employee Compensation and Benefits</b>	<b>23,422</b>	<b>92,342</b>	<b>25.4%</b>	<b>22,129</b>	<b>1,292</b>
Maintenance, Supplies, and Equipment	3,639	29,548	12.3%	4,821	(1,182)
Office and Administrative	5,045	47,785	10.6%	7,423	(2,378)
Professional Services	9,544	80,810	11.8%	13,512	(3,968)
Grants, Subsidies, Contract Assistance	596	1,729	34.5%	1,182	(586)
Interdepartmental Service Agreements (ISA)	292	1,910		63	230
Debt Service	40,355	147,593	27.3%	43,195	(2,841)
<b>TOTAL EXPENDITURES</b>	<b>82,892</b>	<b>401,717</b>	<b>20.6%</b>	<b>92,326</b>	<b>(9,433)</b>

## Employee Payroll, Fringe and Other Benefits

- Trending under budget due to timing of staff hiring and timing of bargaining unit increases

## Maintenance, Supplies, and Equipment

- Under budget due to limited spending on snow and ice operations in the first four months

## Office and Administrative and Professional Services Expenses trending under budget

- Under budget compared due to timing of the billing for various services (Utilities, Credit Card Transactions, ID Card production, Security Services and IT )



# MassDOT FTE as of 11/24/2018

Division	1/20/18 Actual	2/17/18 Actuals	3/31/18 Actuals	4/28/18 Actuals	5/26/18 Actuals	6/23/18 Actuals	7/21/18 Actuals	8/18/18 Actuals	9/29/18 Actuals	10/27/18 Actuals	11/24/18 Actuals
Aeronautics	12	12	12	13	13	13	13	13	13	13	13
Highway	2,293	2,282	2,274	2,294	2,301	2,311	2,312	2,319	2,335	2,344	2,341
Planning and Enterprise Services	419	423	425	424	420	419	423	423	424	423	421
Rail and Transit	12	12	12	12	11	10	10	10	9	10	10
Registry of Motor Vehicles	750	749	746	750	748	774	780	780	783	778	781
<b>Total FTE Actuals</b>	<b>3,487</b>	<b>3,479</b>	<b>3,469</b>	<b>3,492</b>	<b>3,493</b>	<b>3,527</b>	<b>3,538</b>	<b>3,545</b>	<b>3,564</b>	<b>3,568</b>	<b>3,566</b>
<b>FTE Budget</b>	<b>3,590</b>	<b>3,590</b>	<b>3,590</b>	<b>3,590</b>	<b>3,590</b>	<b>3,590</b>	<b>3,600</b>	<b>3,600</b>	<b>3,600</b>	<b>3,600</b>	<b>3,600</b>
<b>Open FTE Against Budget</b>	<b>103</b>	<b>111</b>	<b>121</b>	<b>98</b>	<b>97</b>	<b>63</b>	<b>62</b>	<b>55</b>	<b>36</b>	<b>32</b>	<b>34</b>

